MINUTES

Meeting of the Board of Trustees
of the Medical University Hospital Authority

December 9, 2005

It is understood that the Minutes herein recorded have not as yet been approved and cannot be considered as official action of the Board until such approval has been given.

119 & 121 Education Center/Library Building
Medical University of South Carolina
Charleston, South Carolina
MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
December 9, 2005

The Board of Trustees of the Medical University Hospital Authority convened Friday, December 9, 2005, with the following members present: Dr. Donald R. Johnson II, Chairman; Dr. Cotesworth P. Fishburne, Jr., Vice Chairman; Mr. Charles L. Appleby, Jr.; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Mr. William B. Hewitt; Dr. E. Conyers O'Bryan, Jr.; Dr. Paula E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; Mr. Thomas L. Stephenson, Esquire; Dr. Charles B. Thomas, Jr.; and Dr. James E. Wiseman, Jr.

The following administrative officials were present: Dr. Raymond S. Greenberg, President; Dr. John Raymond, Vice President for Academic Affairs and Provost; Dr. Jerry Reves, Vice President for Medical Affairs, and Dean, College of Medicine; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; and Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Perry Halushka, College of Graduate Studies; Dr. Becki Trickey, representing the College of Health Professions; Dr. Jerry Reves, College of Medicine; Dr. Gail Stuart, College of Nursing; and Dr. Joseph DiPiro and Dr. Arnold Karig, College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Johnson called the meeting to order at 8:00 a.m. Ms. Celeste Jordan called the roll.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday, February 10, 2006. Committee meetings will be held Thursday, February 9, 2006.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of October 7, 2005.

Board Action: It was moved that the Minutes be approved. The motion was seconded, voted on and unanimously carried.

Dr. O'Bryan made a motion that the Board discuss contractual matters in executive session at the end of the regular agenda. Dr. Johnson accepted the motion.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

OLD BUSINESS: None.

NEW BUSINESS:
Item 4. **General Informational Report of the President.**

Dr. Greenberg informed the Board that the *Chicago Tribune* had quoted Dean Reves about possible hospital expansion issues as a result of an article which appeared in *Academic Medicine*. Dean Reves was the lead author of the article which was co-authored by Dr. Don Johnson. The article summarized the decision-making process the University went through in terms of its replacement hospital. It was very nice for the University to not only get coverage in the leading academic medicine journal but also in one of the leading newspapers in the country.

Dean Reves introduced Dr. Sunil Patel who provided a presentation on neurosciences at the University.

Dr. Johnson recognized Mr. Appleby who announced an upcoming event in Florence. BB&T is sponsoring a Darius Rucker Big Band concert on February 4, 2006 in Florence. The concert will benefit the Children's Research Institute as well as help raise awareness and visibility for MUSC and the Children's Hospital in the Pee Dee and around the State. Ms. Joan Billheimer, Director of Public Relations for the Coast Region of BB&T, shared details of the event and encouraged everyone to attend.

Dr. Raymond introduced Dr. Rick Schnellmann, Chair of the Department of Pharmaceutical Sciences. Dr. Schnellmann provided an update on the Center for Drug Discovery.

**Recommendation of Administration:** That these reports be received as information.

**Board Action:** Received as information.

Item 5. **Other Business.** None.

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY AUDIT COMMITTEE. CHAIRMAN: THOMAS L. STEPHENSON, ESQUIRE.** (Detailed committee minutes are attached to these minutes).

**OLD BUSINESS:** None.

**NEW BUSINESS:**

Item 6. **MUHA Annual Compliance Overview.**

**Statement:** Mr. Stephenson reported that the information had been provided to the Audit Committee and there was nothing significant to report to the Board.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.
Board Action: Received as information.

Item 7. MUHA External Audit Report.

Statement: Mr. Stephenson reported that the Audit Committee had met with the external auditors and there was nothing significant to report.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 8. Other Committee Business. None.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY OPERATIONS AND FINANCE COMMITTEE. CHAIRMAN: DR. STANLEY C. BAKER, JR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

Item 9. MUSC Medical Center Status Report.

Statement: Dr. Baker stated Mr. Smith had reported that the Medical Center continues to grow. Admissions have increased 3%, outpatient visits have increased 7.3% and operating room cases have increased 8.1% compared with FY 2005.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 10. MUSC Medical Center Financial and Statistical Report.

Statement: Dr. Baker reported that the Medical Center has a favorable variance of $2 million as compared to budget. The operating margin is 4.6% as compared to 3.2% over last year.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.
Item 11. **MUSC Medical Center Major Purchases in Excess of $250,000.**

**Statement:** The following major purchase was presented for approval:

- TomoTherapy System – an image-guided IMRT/Radiation planning and treatment system - $3,600,000

**Recommendation of Administration:** That the major purchase be approved.

**Recommendation of Committee:** That the major purchase be approved.

**Board Action:** Dr. Baker moved that the major purchase be approved. The motion was seconded, voted on and unanimously carried.

Item 12. **Quality and Safety Report.**

**Statement:** Dr. Baker said that Dr. John Heffner reported on patient safety and sentinel events in executive session to the Committee.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** Received as information.

Item 13. **Report on Outreach Initiatives.**

**Statement:** Dr. Baker stated that Dr. John Feussner briefed the committee on outreach activities in executive session.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** Received as information.

Item 14. **Report of the Vice President for Medical Affairs and Dean, College of Medicine.**

**Statement:** Dr. Baker stated Dean Reves provided his report to the Board today.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** Received as information.
Item 15. **Report on University Medical Associates.**

**Statement:** Dr. Baker stated Dr. Feussner will provide the report on contractual matters to the Board in Executive Session.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** A report on contractual matters was received as information during executive session and no action was taken by the board.

Item 16. **Legislative Update.**

**Statement:** Dr. Baker stated that Mr. Faulkner had provided a report to the Committee.

**Recommendation of Administration:** That this report be received as information.

**Recommendation of Committee:** That this report be received as information.

**Board Action:** Received as information.

Item 17. **Other Committee Business.** None

Item 18. **Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (consent item).**

**Statement:** Appointments, reappointments and delineation of privileges to the medical staff were presented for approval to include Dr. Rudolph Rustin whose name had been omitted from the typed list.

**Recommendation of Administration:** That the appointments, reappointments and delineation of privileges to the medical staff be approved.

**Recommendation of Committee:** That the appointments, reappointments and delineation of privileges to the medical staff be approved at presented including Dr. Rudolph Rustin.

**Board Action:** Dr. Baker moved that the appointments, reappointments and delineation of privileges to the medical staff be approved as presented including Dr. Rudolph Rustin. The motion was seconded, voted on and unanimously carried.

Item 19. **Medical Executive Committee Minutes (consent item).**

**Statement:** Minutes of the Medical Executive Committee August 17, 2005, meeting
were presented to the Board.

**Recommendation of Administration:** That this be received as information.

**Recommendation of Committee:** That this be received as information.

**Board Action:** The minutes of the Medical Executive Committee August 2005 were received as information.

**Item 20. Medical Center Contracts and Agreements (consent item).**

**Statement:** Contracts and Agreements which have been signed since the last board meeting were presented for information.

**Recommendation of Administration:** That this be received as information.

**Recommendation of Committee:** That this be received as information.

**Board Action:** Received as information.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY PHYSICAL FACILITIES COMMITTEE.
CHAIRMAN: MR. WILLIAM H. BINGHAM, SR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None

NEW BUSINESS:

**Item 21. Facilities Procurements/Contracts Proposed.**

**Statement:** Mr. Bingham asked for approval of the following procurements/contracts:

- Renovation of Children's Hospital Patient Areas: Original Budget - $557,500; Budget Increase $175,000; Revised Project Total: $732,500
- Renovate 4 rooms for X-Ray Equipment replacement: Original Budget - $280,000; Budget Increase $90,000; Revised Project Total: $370,000
- Upgrade 4 OR's: Original Budget - $275,000; Budget Increase $100,000; Revised Project Total: $375,000
- Renovation of 9th Floor Cath Lab: Original Budget - $324,000; Budget Increase $54,000; Revised Project Total: $378,000
- Radiology Renovations, MH3 Design (A/E): $400,000
- Renovations to Magill Design Center Hospital Outpatient Area: $900,000
- Emergency Medicine Renovation Design (A/E): $1,000,000
Recommendation of Administration: That the procurements/contracts be approved.

Recommendation of Committee: That the procurements/contracts be approved.

Board Action: It was moved, seconded and unanimously voted that the procurements/contracts be approved.

Item 22. **Update on Projects.**

Statement: Mr. Bingham reported that Mr. Frazier presented an update on Authority projects to the committee.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 23. **Other Committee Business.** None

Item 24. **Facilities Contracts Awarded (consent item).**

Statement: Facilities contracts awarded since the last board meeting were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

**OTHER BUSINESS FOR THE BOARD OF TRUSTEES:**

Item 25. **Approval of Consent Agenda.**

Statement: Approval of the Medical University Hospital Authority consent agenda was requested.

Recommendation of Administration: That the consent agenda be approved.

Board Action: It was moved, seconded and unanimously voted that the consent agenda be approved.


Item 27. **New Business for the Board of Trustees.** None.

There being no further business, the Hospital Authority meeting was adjourned and the University Board of Trustees meeting was convened.

Respectfully submitted,

Hugh B. Faulkner III
Secretary

/wcj
Attachments
Medical University Hospital Authority
Audit Committee
Wednesday, December 7, 2005
Minutes

Attendees:

Mr. Charles L. Appleby, Jr.  Mr. John Cooper
Dr. Stanley Baker, Jr.    Ms. Annette Drachman
Mr. Melvyn Berlinsky    Mr. Bo Faulkner
Mr. William H. Bingham, Sr.  Ms. Robyn Frampton
Dr. Cotesworth Fishburne, Jr.  Mr. Ralph Greene
Mr. Bill Hewitt    Mr. Joseph Good
Dr. Thomas Rowland, Jr.  Mr. Wayne Harris
Mr. Charles Schulze    Ms. Susan Haskill
Mr. Thomas Stephenson, Esq.  Ms. Elizabeth Huey
Dr. James Wiseman, Jr.  Mr. Mike Keels
Dr. Raymond Greenberg  Ms. Anne Lake
Ms. Lisa Montgomery  Mr. Milford McGuirt
Mr. Stuart Smith  Mr. Bill Moody
Ms. Julie Acker  Mr. Bruce Quinlan
Mr. Tom Anderson  Ms. Janet Scarborough
Ms. Susan Barnhart  Ms. Kelly Shaw
Mr. Michael Botzis  Ms. Reece Smith
Ms. Margaret Brown  Mr. Paul Taylor
Mr. Ed Conradi  Mr. Patrick Wamsley

The meeting was called to order by Mr. Tom Stephenson, Chairman of the MUSC/MUHA Audit Committee.

**Item 6. MUHA Annual Compliance Overview.**

**Statement:** Ms. Reece Smith presented an annual compliance report.

Ms. Smith reported that the DRG Coding audit was completed with a 100% accuracy rate. This audit is in its fifth and final year and originates from our Institutional Compliance Agreement with the Office of Inspector General.

In addition, Ms. Smith reported there have been two-hundred and forty-five inquiries into the compliance office. The majority of the inquiries are related to billing, confidentiality, EMTALA, and business ethics.

**Recommendation of the Committee:** That this report be received as information.

**Item 7. MUHA External Audit Report.**

**Statement:** The External Auditor presented the Annual External Audit Report.

Mr. Milford McGuirt, KPMG Engagement Partner, presented the audited MUHA financial statements for FY 2005. Mr. McGuirt reported an unqualified opinion on the financial statements. No material weaknesses were noted during the 2005 audit.

**Recommendation of the Committee:** That this report be received as information.

With no further business, the meeting adjourned.
Medical University Hospital Authority  
Operations and Finance Committee  
Board of Trustees  
December 8, 2005  
Minutes

Dr. Stanley Baker, Chairman  
Dr. Donald R. Johnson  
Dr. Cotesworth Fishburne, Jr.  
Dr. Charles Appleby  
Mr. Melvyn Berlinsky  
Mr. William H. Bingham  
Mr. William Hewitt  
Dr. E. Conyers O’Bryan, Jr.  
Dr. Paula Orr  
Dr. Thomas Rowland  
Mr. Charles Schulze  
Thomas Stephenson, Esq.  
Dr. Charles Thomas  
Dr. James Wiseman  
Dr. Raymond Greenberg  
Mr. Stuart Smith  
Dr. J. G. Reves  
Dr. John Raymond  
Ms. Lisa Montgomery  
Dr. Sabra Slaughter  
Ms. Susan Barnhart  
Mr. John Cooper  
Mr. Ralph Greene  
Ms. Annette Drachman  
Dr. Frank Clark  
Dr. John Sutusky  
Mr. Bruce Quinlan  
Dr. John Feussner  
Dr. Joseph Jenrette  
Mr. Dennis Frazier  
Ms. Sara King  
Mr. Jonathan Maze  
Mr. H. B. Faulkner  
Ms. Casey Martin

The meeting was called to order by Dr. Stanley Baker, Chairman. He asked that items 12 and 13 be discussed in executive session.

**Item 9. MUSC Medical Center Status Report**

Mr. Smith reported that 2006 will be a busy year for the Medical Center. The new hospital construction, Joint Commission survey, Hardwiring Excellence initiative, and Information Technology implementation are all expected to generate substantial activity in the Medical Center.

Growth continues in the Medical Center. Admissions have increased 3%, outpatient visits have increased 7.3% and operating room cases have increased 8.1% compared with FY 2005. Bed capacity will continue to be a challenge until the new hospital is completed in 2007.

Action: Received as information

**Item 10. MUSC Medical Center Financial and Statistical Report**
Ms. Montgomery reported on the financial status of the Medical Center. Through October, the Medical Center has a favorable variance of $2 million as compared to budget. The operating margin is 4.6% as compared to 3.2% for FY05.

Ms. Montgomery also reported on the benchmark data as compared to the feasibility study. The Medical Center compares favorably with all measures with the exception of FTE’s per occupied bed which have increased slightly as a result of lower lengths of stay; cash which is slightly lower than projected; and bad debt expense which is slightly higher as a result of a number of Medicaid Pending claims.

Action: Received as information

Item 11. MUSC Medical Center Major Purchases in Excess of $250,000

The committee reviewed the major purchase and recommended approval. The committee also recommended that this new service receive wide publicity when operational.

Action: Recommend approval

Item 12. Quality and Safety Report

In Executive Session, Dr. John Heffner reported on patient safety and sentinel events.

Action: Report received as information

Item 13. Report on Outreach Initiatives

In Executive Session, Dr. John Feussner briefed the committee on outreach activities locally as well as statewide.

Action: Received as information

Item 14. Report of the Vice President for Medical Affairs and Dean, College of Medicine

Report deferred to full Board on Friday.

Item 15. Report of University medical Associates

Dr. Feussner will report on this item in Executive Session on Thursday afternoon

Item 16. Legislative Update
Mr. H. B. Faulkner briefed the committee on legislative action dealing with MUSC leases.

Action: Report received as information

Item 17. Other committee business
None

CONSENT AGENDA

Item 18. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

These recommendations were reviewed by the committee after recommendation by the Department Chairs, the Credentials Committee and the Medical Executive Committee. One name was omitted from the typed Reappointment list. Dr. Rudolph Rustin should be included in this list.

Action: Recommend approval of appointments, reappointments and delineation of privileges with addition of Dr. Rudolph Rustin to reappointment list.

Item 19. Medical Executive Committee Minutes

The Medical Executive Committee minutes of August, 2005 were presented.

Action: Received as information

Item 20. Medical Center Contracts and Agreements

Contracts and agreements signed since October 2005 were presented.

Action: Received as information

There being no further business, the committee adjourned at 11:00 a.m

Respectfully Submitted

Teresa K. Rogers
Attendees:
Mr. William H. Bingham, Sr., Chair  Mr. John Cooper
Mr. Charles L. Appleby, Jr.  Ms. Annette Drachman
Dr. Stanley C. Baker, Jr.  Dr. John R. Feussner
Mr. Melvyn Berlinsky  Mr. Dennis Frazier
Dr. Cotesworth P. Fishburne, Jr.  Ms. Sarah King
Mr. William B. Hewitt  Mr. John Malmrose
Dr. Donald R. Johnson, II  Ms. Casey Martin
Dr. E. Conyers O’Bryan, Jr.  Mr. Jonathan Maze
Dr. Paula E. Orr  Mr. Stewart Mixon
Dr. Thomas C. Rowland, Jr.  Ms. Lisa Montgomery
Mr. Charles W. Schulze  Dr. John Raymond
Thomas L. Stephenson, Esquire  Dr. Jerry Reves
Dr. Charles B. Thomas, Jr.  Dean Jack Sanders
Dr. James E. Wiseman, Jr.  Mr. Stuart Smith
Mr. Hugh B. Faulkner, III  Dr. John Sutusky
Dr. Raymond S. Greenberg  Mr. Paul Taylor
Ms. Susan Barnhart  Dr. Valerie West
Mr. Wayne Brannan

Mr. Bingham chaired the committee and called the meeting to order.

REGULAR Items

Item 21  Facilities Procurements/Contracts Proposed

Mr. Dennis Frazier presented procurements/contracts for approval.

Recommendation of Committee: The procurements/contracts were approved as presented.

Item 22  Update on Projects

Mr. Frazier presented an update on Authority projects.

Recommendation of Committee: That the report be received as information.

Item 23  Other Committee Business

CONSENT Items

Item 24  Facilities Contracts Awarded

With no further business, the meeting was adjourned.